{deleted text} shows text that was in SB0073 but was deleted in SB0073S01.

Inserted text shows text that was not in SB0073 but was inserted into SB0073S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

**Senator Lincoln Fillmore** proposes the following substitute bill:

# PUBLIC EMPLOYEES' BENEFIT AND INSURANCE PROGRAM AMENDMENTS

2018 GENERAL SESSION STATE OF UTAH

**Chief Sponsor: Daniel Hemmert** 

House	Sponsor:		

#### **LONG TITLE**

#### **General Description:**

This bill modifies the Public Employees' Benefit and Insurance Program Act by amending provisions relating to the high deductible health plan.

#### **Highlighted Provisions:**

This bill:

• amends the requirements for the contributions made by an employer to the health savings account for a federally qualified high deductible health plan.

#### **Money Appropriated in this Bill:**

None

#### **Other Special Clauses:**

None

#### **Utah Code Sections Affected:**

AMENDS:

**49-20-410**, as last amended by Laws of Utah 2016, Chapter 93

*Be it enacted by the Legislature of the state of Utah:* 

Section 1. Section 49-20-410 is amended to read:

# 49-20-410. High deductible health plan -- Health savings account -- Contributions.

- (1) (a) In addition to other employee benefit plans offered under Subsection 49-20-201(1), the office shall offer at least one federally qualified high deductible health plan with a health savings account as an optional health plan.
  - (b) The provisions and limitations of the plan shall be:
- (i) determined by the office in accordance with federal requirements and limitations; and
- (ii) designed to promote appropriate health care utilization by consumers, including preventive health care services.
- (c) A state employee hired on or after July 1, 2011, who is offered a plan under Subsection 49-20-202(1)(a), shall be enrolled in a federally qualified high deductible health plan unless the employee chooses a different health benefit plan during the employee's open enrollment period.
  - (2) The office shall:
- (a) administer the high deductible health plan in coordination with a health savings account for medical expenses for each covered individual in the high deductible health plan;
  - (b) offer to all employees training regarding all health plans offered to employees;
- (c) prepare online training as an option for the training required by Subsections (2)(b) and (4);
- (d) ensure the training offered under Subsections (2)(b) and (c) includes information on changing coverages to the high deductible plan with a health savings account, including coordination of benefits with other insurances, restrictions on other insurance coverages, and general tax implications; and

- (e) coordinate annual open enrollment with the Department of Human Resource Management to give state employees the opportunity to affirmatively select preferences from among insurance coverage options.
  - (3) (a) Contributions to the health savings account may be made by the employer.
- (b) The amount of the employer contributions under Subsection (3)(a) shall be determined annually by the office, after consultation with the Department of Human Resource Management and the Governor's Office of Management and Budget so that the annual employer contribution amount [reflects the { [}] is not less than the difference in the actuarial value { ] forecasted cost based on the historical cost experience } between the program's health maintenance organization coverage and the federally qualified high deductible health plan coverage, after taking into account any difference in employee premium contribution.
- (c) The office shall distribute the annual amount determined under Subsection (3)(b) to employees in two equal amounts with a pay date in January and a pay date in July of each plan year.
  - (d) An employee may also make contributions to the health savings account.
- (e) If an employee is ineligible for a contribution to a health savings account under federal law and would otherwise be eligible for the contribution under Subsection (3)(a), the contribution shall be distributed into a health reimbursement account or other tax-advantaged arrangement authorized under the Internal Revenue Code for the benefit of the employee.
- (4) (a) An employer participating in a plan offered under Subsection 49-20-202(1)(a) shall require each employee to complete training on the health plan options available to the employee.
  - (b) The training required by Subsection (4)(a):
  - (i) shall include materials prepared by the office under Subsection (2);
  - (ii) may be completed online; and
  - (iii) shall be completed:
- (A) before the end of the 2012 open enrollment period for current enrollees in the program; and
- (B) for employees hired on or after July 1, 2011, before the employee's selection of a plan in the program.

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**Legislative Review Note** 

Office of Legislative Research and General Counsel}